

## **ADDITIONAL VIEWS OF COMMISSIONER PETER VIDENIEKS**

It is a great honor to serve on the U.S.-China Economic and Security Review Commission (USCC). I did not sign this submission because it does not meet statutory requirements.

The relationship between U.S. Congress and the bipartisan USCC, appointed by leaders from both parties and bodies of Congress, is a contract. U.S. Congress and the American taxpayer have contracted with the Commission to do a job. The law is the contract. The statement of work requires that the USCC, the contractor, "investigate and report exclusively" on PRC proliferation practices, U.S. economic transfers to PRC, energy, U.S. capital markets, regional economic and security impacts, U.S.-PRC bilateral programs, PRC WTO compliance, and freedom of expression in PRC -- nothing more or less "(n)ot withstanding any other provision of law." The contract requires delivery of only one item: an advisory report by June 1, 2007. Congress appropriated \$3,000,000 to pay for this work. This amount is available until expended. There are no inspection and acceptance, termination, non-discrimination, or other needed provisions. There are no incentives to excel or to be objective. And furthermore, there is no requirement that USCC establish a reserve of funds for the possibility that Congress may choose not to appropriate more money, and USCC work has to end. Such funding set-aside should be sufficient to cover all shut-down costs: pay terminated staff employees, cancel rental and parking contracts, etc.

I cannot sign this submission because it does not meet the statutory requirements for the only deliverable item - an advisory report to U.S. Congress resulting from one full year of investigative work. This submission covers less than half a year and consists primarily of two hearing transmittal letters and a trip report. If this were a federal contract, it would be terminated for default. The work would be reprocured from another party at the Commission's expense. Past non-compliance with law by submitting a report in November definitely crosses fiscal years, but it does not change the law. I am very proud to serve on the Commission, and I regret that it is not doing its taxpayer-funded job as legislated.

## **ADDITIONAL VIEWS OF COMMISSIONERS LARRY M. WORTZEL AND C. RICHARD D'AMATO**

As former chairmen of the Commission, we write together to provide additional comments. With respect to the timing of annual reports and the issuance of interim reports, the terms of sitting Commissioners expire, and Congressional leaders appoint Commissioners to new terms that begin, in January of each year. Therefore, the Commission begins its formal schedule of work each year in January and concludes that annual work schedule at the end of the calendar year. If it arranged and conducted its work program on the basis of a different calendar, invariably newly-appointed Commissioners would be required to participate in determining key findings and recommendations to Congress based on Commission hearings, briefings, and other activities that occurred before they were appointed and in which they therefore could not have been participants. That situation would not yield the most thoroughly considered and carefully crafted findings and recommendations for consideration by Congress.

In order to provide Congress with a complete, logically-sequenced report based on all the Commission's activities during a year, and the findings and recommendations that flow from the products of those activities, the Commission for the past several years has submitted a comprehensive report at the end of the calendar year rather than in June. This arrangement has the additional virtue of placing the Commission's observations and recommendations in Congress's hands as preparations are underway for either a new Congress or the second session of a Congress that will convene the following January. In order to comply with the statutory requirement that the Commission submit a report to Congress no later than June 1 each year, the Commission on that date has provided another report (of which this report is an example) that summarizes its significant activities to that point in the year.

Last year the House of Representatives agreed with the Commission's view of this matter, and included a provision changing the date when the Commission is required to deliver its annual report to Congress – from June 1 to November 1 – in its Fiscal Year 2007 Appropriations Bill for Science, the Departments of State, Justice, and Commerce, and Related Agencies that it passed in August 2006. However, that legislation was never considered by the full Senate. The request for such a change is included in the President's Budget for fiscal year 2008 that the Congress is now considering. We believe the merits of this proposed change are compelling, and are hopeful Congress will include the change in the fiscal year 2008 appropriations bill that will fund the Commission's activities.